



Rt Hon Andy Burnham MP  
Prime Minister  
10 Downing Street  
London  
SW1A 2AA

5<sup>th</sup> August 2026

**Re: Unsustainable rising costs for local business**

Dear Prime Minister,

I am writing to you about the impact of sustained rising costs to local and small businesses in my constituency. Many are long-standing local employers at the centre of their communities are facing real uncertainty about their ability to continue trading.

Frequently, retail and hospitality businesses tell me they feel the government is not doing enough to address concerns.

The recent increase in business rates is just part of a broader pattern of rising costs, compounded by mistakes in Treasury decisions since 2024. The current system is outdated, inflexible and unnecessarily complicated. Temporary relief schemes have offered some short-term respite, but they have failed to address the structural flaws at the heart of the system, which ultimately needs reforming.

I recently met with Nick, the owner of a successful, independent fish and chip shop in Dorking. He described costs as having “spiralled out of control” and is now hesitant to invest or expand due to the current economic climate. Unfortunately, this is not an isolated case. We should be enabling businesses like his to grow, not holding them back. Another local retail business told me that things were worse than he’d seen in decades and businesses all over my constituency are struggling, with too many simply closing.

You have previously suggested to you want to be a pro-business government and that high streets and small firms should be at the heart of local economic growth. However, this must now be matched with action. I therefore urge you to clarify the following:

- Lay out a timeline for when your government intends to reform the outdated and complicated business rates system. Your recent announcement to cut business rates for pubs, clubs and live music venues by 20% still leaves thousands of other businesses insecure.
- Does the Government still intend to revisit the increase in employer National Insurance contributions introduced in the 2024 Budget as you previously suggested?
- Would your administration consider cutting VAT in line with Liberal Democrat proposals, which would slash VAT by 5%, boosting economic growth and provide much needed relief for business?

Yours sincerely,

**Chris Coghlan**

**Liberal Democrat MP for Dorking and Horley**

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